

Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter of)	File No. EB-10-IH-3832
)	
)	Acct. No. 201132080016
Liberty-Bell Telecom, LLC)	
)	FRN No. 0010436087
)	
)	

ORDER

Adopted: December 14, 2010

Released: December 14, 2010

By the Chief, Enforcement Bureau:

1. In this Order, we adopt the attached Consent Decree entered into between the Enforcement Bureau of the Federal Communications Commission ("Bureau") and Liberty-Bell Telecom, LLC ("Liberty-Bell"). The Consent Decree terminates a Bureau investigation into Liberty-Bell for possible violations of section 214(a) of the Communications Act of 1934, as amended ("Act"),¹ and sections 63.01, 63.03, 63.04, 63.18 and 63.24 of the Commission's rules.²

2. The Bureau and Liberty-Bell have negotiated the terms of a Consent Decree that resolves this matter. A copy of the Consent Decree is attached hereto and incorporated by reference.

3. After reviewing the terms of the Consent Decree and evaluating the facts before us, we find that the public interest would be served by adopting the Consent Decree and terminating the investigation.

4. In the absence of material new evidence relating to this matter, we conclude that our investigation raises no substantial or material questions of fact as to whether Liberty-Bell possesses the basic qualifications, including those related to character, to hold or obtain any Commission license or authorization.

5. Accordingly, **IT IS ORDERED** that, pursuant to section 4(i) of the Act,³ and sections 0.111 and 0.311 of the Commission's rules,⁴ the Consent Decree attached to this Order **IS ADOPTED**.

6. **IT IS FURTHER ORDERED** that the above-captioned investigation **IS TERMINATED**.

¹ 47 U.S.C. § 214(a).

² 47 C.F.R. §§ 63.01, 63.03, 63.04, 63.18 and 63.24.

³ 47 U.S.C. § 154(i).

⁴ 47 C.F.R. §§ 0.111, 0.311.

7. **IT IS FURTHER ORDERED** that a copy of this Order and Consent Decree shall be sent by first class mail and certified mail, return receipt requested, to Edward S. Quill, Jr., Strategies Law Group, PLLC, 1002 Parker Street, Falls Church, Virginia 22046.

FEDERAL COMMUNICATIONS COMMISSION

P. Michele Ellison
Chief, Enforcement Bureau

(g) "Investigation" means the Bureau's investigation regarding whether Liberty-Bell violated section 214(a) of the Act and sections 63.01, 63.03, 63.04, 63.18 and 63.24 of the rules by (a) engaging in the unauthorized provision of international common carrier services, (b) completing substantial transfers of control and substantial assignments of section 214 authority without the requisite prior approval of the Commission, (c) failing to accurately disclose ownership information (including Nigel Alexander's ownership) in its applications relating to such transfers of control and assignments and for initial international section 214 authority, and (d) failing to timely notify the Commission of a *pro forma* transfer of control of section 214 authority.

(h) "Parties" means Liberty-Bell Telecom, LLC and the Enforcement Bureau of the Federal Communications Commission, and each a "Party."

(i) "Rules" means the Commission's regulations found in Title 47 of the Code of Federal Regulations.

(j) "Liberty-Bell" or the "Company" means Liberty-Bell Telecom, LLC and its predecessors-in-interest and successors-in-interest.

II. BACKGROUND

3. Section 214(a) of the Act prohibits the construction, operation, or acquisition of lines for interstate or international common carrier communication without Commission authorization.⁷ Sections 63.18 and 63.24 of the Rules establish similar prohibitions regarding the provision of international common carrier service, and sections 63.01, 63.03 and 63.04 of the Rules establish similar provisions for the provision of domestic service.⁸ Section 63.24(f) provides that while *pro forma* transfers of control and assignments of international section 214 authority do not require Commission approval prior to consummation, the Commission must be notified no later than thirty days after the *pro forma* transaction is completed.⁹ This notification must provide information specified in the section 63.24(f)(2).¹⁰

4. Liberty-Bell is a non-facilities based reseller of domestic and international common carrier services. On September 13, 2006, Liberty-Bell was acquired by Multi-Link Telecom, LLC (later renamed Liberty-Bell, LLC). More than 43 months elapsed before Liberty-Bell applied for authorization for that transaction on May 6, 2010 (with respect to domestic section 214 authority) and May 24, 2010 (with respect to international section 214 authority). On October 17, 2008, Liberty-Bell consummated the assignment of customer assets from Affinity Telecom, Inc. Liberty-Bell filed an application for international section 214 authority nineteen months later on May 24, 2010. On September 24, 2009, Liberty-Bell consummated the assignment of customer assets from Impact Telecom, LLC. It filed an application for international section 214 authority eight months later on May 24, 2010. On September 21, 2009, Liberty-Bell consummated a *pro forma* transfer of control when the equity holdings of Nigel Alexander were reduced from fifty-six percent to forty-nine percent. Liberty-Bell informed the Commission of this *pro forma* transaction seven months later on May 24, 2010.

⁷ 47 U.S.C. § 214(a).

⁸ 47 C.F.R. §§ 63.01, 63.03, 63.04, 63.18 and 63.24.

⁹ 47 C.F.R. § 63.24(f).

¹⁰ 47 C.F.R. § 63.24(f)(2).

III. TERMS OF AGREEMENT

5. **Adopting Order.** The Parties agree that the provisions of this Consent Decree shall be subject to final approval by the Bureau by incorporation of such provisions by reference in the Adopting Order without change, addition, modification, or deletion.

6. **Jurisdiction.** Liberty-Bell agrees that the Bureau has jurisdiction over it and the matters contained in this Consent Decree, and has the authority to enter into and adopt this Consent Decree.

7. **Effective Date; Violations.** The Parties agree that this Consent Decree shall become effective on the Effective Date. Upon release, the Adopting Order and this Consent Decree shall have the same force and effect as any other order of the Bureau. Any violation of the Adopting Order or of the terms of this Consent Decree shall constitute a separate violation of a Bureau order, entitling the Bureau to exercise any rights and remedies attendant to the enforcement of a Bureau order.

8. **Termination of Investigation.** In express reliance on the covenants and representations in this Consent Decree and to avoid further expenditure of public resources, the Bureau agrees to terminate its Investigation on the Effective Date. In consideration for the termination of the Investigation, Liberty-Bell agrees to the terms, conditions, and procedures contained herein. The Bureau further agrees that in the absence of new material evidence, the Bureau will not use the facts developed in the Investigation through the Effective Date of the Consent Decree, or the existence of this Consent Decree, to institute, on its own motion, or refer to the Commission any new proceeding, formal or informal, or take on its own motion or refer to the Commission, any action against Liberty-Bell concerning the matters that were the subject of the Investigation. The Bureau also agrees that in the absence of new material evidence it will not use the facts developed in the Investigation through the Effective Date of this Consent Decree, or the existence of this Consent Decree, to institute on its own motion any proceeding, formal or informal, or to take on its own motion or refer to the Commission, any action against Liberty-Bell with respect to Liberty-Bell's basic qualifications, including its character qualifications to be a Commission licensee or to hold Commission authorizations.

9. **Compliance Plan.** Liberty-Bell agrees that it will implement a comprehensive Compliance Plan for purposes of ensuring its compliance with sections 214(a) of the Act and sections 63.01, 63.03, 63.04, 63.18 and 63.24 of the Rules. The Compliance Plan shall include, at a minimum, the following components:

(a) **Compliance Officer.** Within 60 calendar days of the Effective Date, Liberty-Bell will designate a Compliance Officer who will administer the Compliance Plan, supervise Liberty-Bell's compliance with the Act and the Rules, and serve as the point of contact on behalf of Liberty-Bell for all FCC-related compliance matters.

(b) **Compliance Manual.** Within 60 calendar days of the Effective Date, the Compliance Officer will develop and distribute a Compliance Manual to employees and others who perform duties at Liberty-Bell that trigger or may trigger compliance-related responsibilities. The Compliance Manual will include (i) an overview of the Commission's requirements, including the need for prior approval for license assignments and transfers of control, and the requirements set forth in the Rules at issue in the Investigation; (ii) a description of the regulatory requirements applicable to the accurate reporting of information in FCC applications; and (iii) instructions regarding due diligence for FCC applications. The Compliance Manual will be updated from time to time, as needed.

(c) **Compliance Training Program.** Within 90 calendar days of the Effective Date, Liberty-Bell will begin administering a Compliance Training Program for employees and others who perform duties at Liberty-Bell that trigger or may trigger compliance-related responsibilities. This Compliance Training Program will be presented to new employees who are engaged in such activities, within the first 60 calendar days of employment. This Compliance Training Program will track the Compliance Manual, focusing on proper implementation of the Compliance Manual and tailored to specific user groups.

(d) **Compliance Reports.** Liberty-Bell will submit a Compliance Report to the Commission 90 days after the Effective Date and annually thereafter on the anniversary of the Effective Date until the Termination Date. Each Compliance Report will include a certification by the Compliance Officer, as an agent of and on behalf of Liberty-Bell, stating that he/she has personal knowledge that: (i) Liberty-Bell has established operating procedures intended to ensure compliance with the terms and conditions of this Consent Decree and with Section 214(a) of the Act, and sections 63.01, 63.03, 63.04, 63.18 and 63.24 of the Rules, together with an accompanying statement explaining the basis for the certification; (ii) Liberty-Bell has been utilizing those procedures since the previous Compliance Report was submitted; and (iii) the Compliance Officer is not aware of any instances of non-compliance with the Consent Decree or those specified sections of the Act and the Rules. The certification must comply with section 1.16 of the Rules and be subscribed to as true under penalty of perjury in substantially the form set forth therein. If the Compliance Officer cannot provide the requisite certification, he/she shall provide the Commission with a detailed explanation of: (i) any instances of non-compliance with this Consent Decree and those specified sections of the Act and the Rules, and (ii) the steps that Liberty-Bell has taken or will take to remedy each instance of non-compliance and ensure future compliance, and the schedule on which proposed remedial actions will be taken. All Compliance Reports shall be directed to the Chief, Investigations and Hearings Division, Enforcement Bureau, Federal Communications Commission, 445 12th Street, S.W., Washington, D.C. 20554.

(e) **Termination.** The requirements relating to the Compliance Plan shall expire 36 months after the Effective Date.

10. **Voluntary Contribution.** Liberty-Bell agrees that it will make a voluntary contribution to the United States Treasury in the amount of \$30,000.00. The payment shall be made within 30 days after the Effective Date of the Adopting Order. The payment shall be made by check or similar instrument, payable to the Order of the Federal Communications Commission. The payment must include the Account Number and FRN Number referenced in the caption to the Adopting Order. Payment by check or money order may be mailed to the Federal Communications Commission, P.O. Box 979088, St. Louis, MO 63197-9000. Payment by overnight mail may be sent to U.S. Bank - Government Lockbox # 979088 SL-MO-C2-GL, 1005 Convention Plaza, St. Louis, MO 63101. Payment by wire transfer may be made to ABA Number 021030004, receiving bank TREAS/NYC, and account number 27000001. Liberty-Bell will also send electronic notification within 48 hours of the date payment is made to Hillary.DeNigro@fcc.gov and to Robert.Krinsky@fcc.gov.

11. **Waivers.** Liberty-Bell agrees to waive any and all rights it may have to seek administrative or judicial reconsideration, review, appeal or stay, or to otherwise challenge or contest the validity of this Consent Decree and the Adopting Order, provided the Consent Decree is adopted without change, addition, modification, or deletion. Liberty-Bell shall retain the right to challenge Commission interpretation of the Consent Decree or any terms contained herein. If either Party, or the United States on behalf of the Commission, brings a judicial action to enforce the terms of the Adopting Order, neither Liberty-Bell nor the Commission shall contest the validity of the Consent Decree or the Adopting Order, and Liberty-Bell shall waive any statutory right to a trial *de novo*. Liberty-Bell hereby agrees to waive

any claims it may otherwise have under the Equal Access to Justice Act, 5 U.S.C. § 504 and 47 C.F.R. §

1.1501 *et seq.*, relating to the matters addressed in this Consent Decree.

12. **Subsequent Rule or Order.** The Parties agree that if any provision of the Consent Decree conflicts with any subsequent rule or Order adopted by the Commission (except an Order specifically intended to revise the terms of this Consent Decree to which Liberty-Bell does not expressly consent) that provision shall be superseded by such Commission rule or Order.

13. **Successors and Assigns.** Liberty-Bell agrees that the terms and conditions of this Consent Decree shall be binding on its successors, assigns, and transferees with respect to Liberty-Bell's operations.

14. **Final Settlement.** The Parties agree and acknowledge that this Consent Decree shall constitute a final settlement between the Parties. The Parties further agree that this Consent Decree does not constitute either an adjudication on the merits or a factual or legal finding or determination regarding any compliance or noncompliance with the requirements of the Act or the Commission's Rules and Orders.

15. **Modifications.** This Consent Decree cannot be modified without the advance written consent of both Parties.

16. **Paragraph Headings.** The headings of the Paragraphs in this Consent Decree are inserted for convenience only and are not intended to affect the meaning or interpretation of this Consent Decree.

17. **Authorized Representative.** Each party represents and warrants to the other that it has full power and authority to enter into this Consent Decree.

18. **Counterparts.** This Consent Decree may be signed in any number of counterparts (including by facsimile), each of which, when executed and delivered, shall be an original, and all of which counterparts together shall constitute one and the same fully executed instrument.

By: _____
P. Michele Ellison
Chief, Enforcement Bureau
Federal Communications Commission

By: _____
Nigel Alexander
Manager
Liberty-Bell Telecom, LLC

Date: _____

Date: _____